

SOUTHERN DISTRICT OF NEW YORK

-----X Case No.: 21-22696-shl
IN RE: . Chapter 11
·
HELLO LIVING DEVELOPER . 300 Quarropas Street
NOSTRAND LLC, . White Plains, New York 10601-4140
·
Debtor. . Date: June 27, 2022
-----X Time: 2:07 p.m.- 2:33 p.m.

21-22696-shl Hello Living Developer Nostrand LLC **Ch. 11**

Case Management Status Conference

Doc. #42 Motion To Approve Motion Seeking Conditional Approval of Disclosure Statement, to Combine Final Hearing on Disclosure Statement and Confirmation, Approving the Form of Ballot and Fixing the Date for Objections to the Disclosure Statement and Confirmation

Doc. #45 Motion To Dismiss Case Or Alternatively, Motion For Relief from The Automatic Stay

Doc. #108 Application To Employ Victor Worms, Esq. As Co-Counsel To Debtor

HONORABLE SEAN H. LANE
UNITED STATES BANKRUPTCY JUDGE

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1 (Proceeding commences at 2:07 p.m.)

2 THE COURT: Good afternoon. This is Judge Sean Lane
3 in the United States Bankruptcy Court for the Southern District
4 of New York. And we're here for one matter at 2:00 and one at
5 2:30. The first matter that's on for 2:00 is Hello Living
6 Developer Nostrand LLC, on for a continued hearing, as well as
7 case status conference.

8 And so let me find out who's here on behalf of the
9 Debtor.

10 MR. FOX (Video): Good afternoon, Your Honor. Leo
11 Fox, representing the Chapter 11 Debtor. And Mr. Eli Karp is
12 on the phone with us.

13 THE COURT: All right.

14 MR. FOX: Mr. Victor Worms, as well.

15 MR. WORMS (Video): I am here. Victor Worms, Your
16 Honor, waiting the Court's approval for my retention as
17 litigation counsel.

18 THE COURT: All right. Good afternoon.

19 And let me find out who's here on behalf of the
20 Secured Creditor?

21 MR. BRODY (Video): Good afternoon, Your Honor. Alan
22 Brody, Greenberg Traurig, on behalf of Nostrand Mezz Lender
23 LLC. Also with me today is my colleague, Leo Muchnik. And
24 also on the Zoom, is the representative of Nostrand Mezz
25 Lender, Jeffrey Mr. Simpson.

1 Your Honor, Mr. Simpson is on a family vacation in
2 Europe; please excuse that he is not in a suit. We thought it
3 was important, though, that he be at this hearing.

4 THE COURT: I -- I appreciate his presence. And
5 given that people are very eager to go on vacation after the
6 events over the last number of years, I -- I -- I'm only sorry
7 that he needed to -- to -- to interrupt his vacation for this
8 particular proceeding. So with apologies to your family, sir,
9 happy to have you from Europe.

10 And let me find out who's here on behalf of the
11 United States Trustee's Office?

12 MS. TIANTIAN (Video): Good afternoon, Your Honor.
13 Tara Tiantian, with the United States Trustee's Office.

14 THE COURT: All right. Good afternoon.

15 And in abundance of caution, is there anyone else who
16 needs to make an appearance in this case who has not yet done
17 so?

18 COUNSEL: (No audible response)

19 DISCUSSION RE STATUS OF TODAY'S STATUS CONFERENCE

20 THE COURT: All right. So I think it makes sense to
21 start with status, and for that purpose, I will turn it over
22 first to Mr. Fox.

23 DEBTOR'S RESPONSE TO COURT'S INQUIRY RE STATUS

24 MR. FOX: Yes, Your Honor. The parties, through
25 their clients, met last week by -- by telephone. And it was a

1 successful meeting. And without discussing in -- in detail, or
2 discussing at all the merits, the Debtor, through its
3 Principals, offered nearly the entire amount that was due.

4 THE COURT: Well, don't -- don't -- again, don't talk
5 about --

6 MR. FOX: Okay.

7 THE COURT: -- details --

8 MR. FOX: All right.

9 THE COURT: -- right? I -- I think you -- I think
10 you just did. But I -- I -- I'm -- I'm sure that I didn't hear
11 it (inaudible) --

12 MR. FOX: Your Honor --

13 THE COURT: -- so -- so I'll move on.

14 MR. FOX: -- I apologize, Your Honor --

15 THE COURT: But -- but just -- just process and to
16 the status.

17 MR. FOX: So, Your Honor, the -- the discussions
18 related about different directions that we had previously
19 talked about, in an effort to try to arrive at what we call a
20 global resolution of the matter, and that didn't work, Your
21 Honor.

22 And there was a fair exchange -- and I don't want to
23 belabor it -- but in terms of dollars and sense, and ultimate
24 dollars and sense any -- of several different ways and none of
25 them were successful. And after some time on the telephone,

1 the conversation terminated, and I won't to discuss how, but it
2 terminated. And so here we are today, Your Honor, with no
3 resolution. Although, I always thought there might be a
4 possibility.

5 THE COURT: All right.

6 Mr. Brody, anything to add?

7 MR. BRODY: Yes, Your Honor. Thank you.

8 LENDER'S RESPONSE TO COURT'S INQUIRY RE STATUS

9 MR. BRODY: Alan Brody, from Greenberg Traurig, on
10 behalf of the Nostrand Mezz Lender LLC. Your Honor, a few
11 weeks ago, Your Honor lifted the stay to allow us to go forward
12 with the Article 9 foreclosure sale up to foreclosure. In the
13 interim, we had a discussion between Mr. Fox, his client; and
14 our side with -- with Mr. Simpson as well.

15 Unfortunately, it -- the settlement discussions were
16 not fruitful at all. There's a vast delta between the parties;
17 it's greatly unfortunate. It's our position that Mr. Karp does
18 not see the reality of the situation, but that's not something
19 that we could help in any way.

20 So at this point, we are moving forward with the
21 foreclosure sale. And we ask that Your Honor provide for, you
22 know, full stay relief, so that we could really conclude this
23 in some fashion. That's where we are at this point, Your
24 Honor.

25 THE COURT: So let me ask what the status of the

1 state court proceeding that's obviously not my day job, so I'm
2 -- I'm just curious where -- where things are, and what the
3 timeframe is for things in that court?

4 MR. BRODY: Your Honor, we --

5 UNKNOWN SPEAKER: (Inaudible) --

6 MR. BRODY: -- we -- we have begun the marketing of
7 the property in accordance with the pre-petition decision of
8 the state court, and to make sure that it was approved for
9 marketing. We believe that this will be accomplished within --
10 within the now what would probably be somewhere between a -- a
11 30- to 60-day window to conclude the Article 9 sale.

12 The issue, of course, that we have is, as we market
13 the property -- which we're doing -- which we've begun doing
14 now -- anybody that comes out that has the potential to make an
15 offer, we wanna ensure that they understand that any offer that
16 they make will be -- could be final. And that the rug could
17 not be pulled from under them simply because we don't have the
18 full stay relief.

19 And at the last hearing, Your Honor had indicated
20 that this -- this was a continuation to get to the final
21 hearing of -- of the stay relief, as well as the motion to
22 dismiss. So, it's why we think it's extremely important that
23 at this point we have full stay relief to conclude the Article
24 9 sale on the timing set forth by the state court. That won't
25 stop the parties from continuing to talk, but I just don't see

1 where it's going at this -- based upon the last conversation
2 between the parties, Your Honor.

3 THE COURT: All right.

4 All right. Anything from the U.S. Trustee's Office?

5 MS. TIANTIAN: Good afternoon, Your Honor. Tara
6 Tiantian, with the U.S. Trustee's Office. I don't have
7 comments with respect to the stay relief motion, and how the
8 case will -- will proceed. I understand this is mainly a two-
9 party dispute; whichever party even -- eventually prevails,
10 that represents the -- I guess it's the fair decision as to how
11 the estate should be administered.

12 I do have comments on the retention application and
13 the supplemental disclosure; but other than that, I don't have
14 comments with respect to how -- how the case should proceed.
15 Thanks.

16 THE COURT: All right. I -- I -- I did see that the
17 -- the retention supplement that was discussed. I guess --

18 MR. FOX: Your Honor, I -- I (inaudible) --

19 THE COURT: -- it was June 13th, when we last got
20 together. Was (inaudible) --

21 MR. FOX: Your Honor, excuse me. I want to briefly
22 respond. I think to Counsel's comments concerning the
23 (inaudible) --

24 THE COURT: Mr. Fox, my -- my -- my lips are still
25 moving, so let me finish my sentence (inaudible) --

1 MR. FOX: I'm sorry, Your Honor. I apologize.

2 THE COURT: So what I was going to say is that I saw
3 that there were things filed today dealing with the supplement
4 on the retention application. Because it was filed today, I
5 didn't get a chance to read it yet.

6 So the question, miss -- Ms. Tiantian, is for the
7 U.S. Trustee's Office's, is whether in your view it's
8 productive to have a conversation on that, given -- given that
9 I haven't read it. I -- I -- we could some -- sometimes those
10 things will go okay if -- if I haven't gotten a chance to read
11 it yet, but sometimes they won't. I don't know if you have a
12 view one way or the other?

13 U.S. TRUSTEE'S OFFICE RESPONSE TO STATUS AND RETENTION

14 MS. TIANTIAN: Thank you, Your Honor. Tara Tiantian,
15 with the U.S. Trustee's Office. First, I appreciate Mr. Worms
16 did a pretty thorough declaration in his representation of Mr.
17 Karp and his entity in state court.

18 I think it's pretty obvious that my biggest concern
19 is Mr. Worms' representation of Mr. Karp and his entities in
20 state court; and in fact, there are 15 representations. And
21 some of them are concluded, and I (inaudible) focused on there.

22 It seemed to be five actions that are either ongoing
23 or -- or stayed, which I consider as pending. And I -- I don't
24 believe that rep -- I don't believe representing equity holder
25 is disqualifying per se; it's really a case-by-case analysis.

1 And in this case, I -- I think my concern is Mr. Worms'
2 representation of the estate in the context of avoidance
3 action. The only scenario I can think of is that Mr. Worms
4 will be materially limited in evaluating which cause of action,
5 or avoidance action, or other causes of actions that could --
6 could be brought on behalf of the estate against Mr. Karp and
7 Mr. Karp's entity.

8 Because we know that Mr. Karp is the main Principal
9 and managing member of all these entities, all these real
10 estate entities. And also, Mr. Karp and his entities are not
11 released from any estate's cause of actions under the plan. So
12 I'm -- my main concern is that if the estate has a cause of
13 action against Mr. Karp or Mr. Karp's entity, I believe Mr.
14 Worms is not the best person to prosecute that action on behalf
15 of the estate.

16 And I think that -- and I do -- I read the -- I read
17 a -- the supplemental declaration. It seems like Mr. Worms --
18 like on paragraph 7, (inaudible) so, again that's -- I -- I
19 guess my concern depends on the scope of Mr. Worms' work. And
20 in paragraph 7 of Mr. Worms' declaration, it seems like his
21 main job is to do the stay motion and dismiss, motion to
22 dismiss.

23 And my view is that I did sign off actually back in
24 April, 'cause at that time, I believed, based on the Debtor's
25 representation, that Mr. Worms' job would be limited defending

1 motion to lift the stay and motion to dismiss. And if his job
2 was limited to those two motions, I do believe Mr. Karp's
3 interest is aligned with the estate. Because I believe miss --
4 Mr. Karp would want the case to be -- to stay in -- in
5 bankruptcy.

6 And -- but based on the -- the retention application
7 on presentment, in paragraph 15, it seems like Mr. Worms would
8 do (inaudible) all aspects of the case, which includes
9 prosecuting actions on Debtor's behalf. So, I guess that just
10 goes -- goes back to my original point that my concern is Mr.
11 Worms will be limited in evaluating and prosecuting the
12 estate's cause of action against Mr. Karp and his entity.

13 I do note that there hasn't been a record about the
14 likelihood where -- if there's a -- there's such cause of
15 action, but I do want to note two points. One, is that Mr.
16 Karp and his entities are not released from estate's cause of
17 action; and second, is that Mr. Karp is the main person, is the
18 main manager of all of his entities.

19 And I'm not accusing like anybody of any wrongdoing,
20 but it is not uncommon that for a real estate developer who
21 has, you know, multiple entities, multiple properties, to move
22 the funds around. So that's my -- that's just based on my
23 prior experience; I'm not accusing anybody of anything. That's
24 my (inaudible) on that. Thanks.

25 THE COURT: All right.

1 MR. WORMS: May I be heard briefly, Your Honor?

2 THE COURT: I'll -- well, let me ask, I don't know if
3 it's you or mister -- Mr. Fox who is going to address this or
4 both? So, Mr. Fox, I -- I -- I -- I interrupted his statement
5 earlier, so let me hear first from him. And he may pass the
6 baton right back to you, Mr. Worms.

7 Mr. Fox?

8 MR. FOX: Your Honor, I -- I do have comments to make
9 but not about Mr. Worms' retention. He's here. He's best able
10 to respond to the U.S. Trustee's comments. And I will submit
11 that he should be responding to these comments by the U.S.
12 Trustee as well.

13 THE COURT: All right. Mr. Worms?

14 MR. WORMS: Thank you, Judge.

15 DEBTOR'S RESPONSE TO U.S. TRUSTEE'S COMMENTS RE RETENTION

16 MR. WORMS: It was never contemplated by me that I
17 would bring claims against Mr. Karp on behalf of the Debtor.
18 My role, as I saw it, Judge -- and as I performed it to this
19 point -- is to litigate against the lift of the automatic stay
20 or the dismissal of the action.

21 And in fact, Judge, that's something that is of
22 concern to me because the state court action included the stay
23 that was obtained initially when there was a commercially and
24 reasonable attempt to sell the -- to foreclose on the property
25 is what I litigated previously, Judge.

1 And in fact, I do believe there are issues affecting
2 state law that needs to be considered by the Court before it
3 fully lifts the stay and allow for the sale. Because we could
4 get back into the situation of additional motions either before
5 this Court or the state court, if the sale again becomes
6 commercially unreasonable.

7 The fact that the debt -- the Creditor is moving
8 forward, Judge, does not give any suggestion whatsoever that
9 this sale is commercially (inaudible) --

10 THE COURT: Well, we're not arguing about the merits
11 of a sale or the automatic stay here; we're just arguing about
12 your retention. So, to me -- again, I haven't looked at it --
13 it would seem to be pretty clear that what's needed is a clear
14 statement in a -- in written form about what you are going to
15 litigate, have been litigating, and what you are not litigate.

16 I -- I don't know if it's in there or not; I
17 apologize to the extent I'm raising something that's already
18 been addressed, but -- but based on the UST's comments, it
19 sounds like that's still an open issue. And --

20 MR. WORMS: (Inaudible)

21 THE COURT: -- for something like that, there's
22 always the notion that -- that you need a -- a written record
23 and -- and statements on the -- formal statements are fine, but
24 they -- they are just sort of to -- to -- to sort of -- they
25 don't take the place of -- of -- of the appropriate record.

1 So -- so, I would think that people -- you need to go
2 back, talk to the U.S. Trustee's Office, and -- and -- and work
3 with them on a statement about the scope of your
4 representation, and that that seems to be the -- the concern
5 that they have. And we -- we hopefully get that buttoned up
6 the next time we chat. So --

7 MR. BRODY: Your Honor, if I may?

8 THE COURT: Yeah.

9 LENDER'S RESPONSE RE RETENTION APPLICATION OF MR. WORMS

10 MR. BRODY: Sorry for interrupting, Your Honor. It
11 just seems like you were going on to something else. Your
12 Honor, on behalf of the Nostrand Mezz Lender, Alan Brody,
13 Greenberg Traurig.

14 Your Honor, we continue our objection to Mr. Worms.
15 I just wanna make sure the record is clear; we continue our
16 objection to Mr. Worms' retention. In addition to the fact
17 that it was just today that we received the supplemental
18 declaration that Mr. Worms had said at the last hearing, over
19 two weeks ago, he would -- he would send -- we just got it
20 today; so, I agree no decision should be made.

21 We are concerned, as the largest Creditor of this
22 estate, with what could be potentially a large deficiency
23 claim. Based upon the evaluations we went through at a prior
24 hearing, we're very concerned that here we are, almost 2 1/2
25 months into the case, or even longer, and Mr. Worms has had

1 every opportunity to provide the sufficient declaration, and
2 it's taken this long. And now he's asking for a nunc pro tunc
3 all the way back to the beginning.

4 At this point, Your Honor has heard the motion to
5 dismiss; Your Honor has heard the -- and -- and is fully
6 briefed on the motion for stay relief. So if that's what Mr.
7 Worms is limited to, I don't see what it's necessary for him to
8 continue at this point.

9 And again, as the largest Creditor with a potential
10 deficiency, we don't think it's fair that we had to wait this
11 long for Mr. Worms to still have not put in the -- a sufficient
12 declaration, which is common in -- in this district to do -- to
13 -- to put -- to file a sufficient disclosure declaration. And
14 he's going to seek an administrative claim for -- for whatever
15 amount, and we have no idea. So, we object at this time, as
16 well.

17 MR. WORMS: Your Honor --

18 THE COURT: All right. So --

19 MR. WORMS: -- (inaudible) --

20 THE COURT: -- so let me -- let me -- Mr. Worms, let
21 me -- let me jump in here, because I -- we -- I think we've
22 probably gone as far as we can go today on this topic.

23 COURT'S SUMMARY OF STATUS CONFERENCE AND NEW DATE SCHEDULED

24 So, several things. One is I'm -- I am as frustrated
25 as anyone that it was filed today, which didn't give me a

1 chance to take a look at it; didn't give other stakeholders a
2 chance to take a look at it so that we could have a -- sort of
3 conversation to get to fully in the merits. But be that as it
4 may, we can't do that today; it's just not appropriate.

5 I -- I've already had the lift stay argument in front
6 of me. So, it's -- it's -- we're, you know, this is -- it is
7 what it is; right? We -- we had an argument; we've had
8 hearings; we've had continued hearings. And so, I'm -- I'm not
9 -- I just wanted to make it clear, I'm not signaling that I'm
10 sort of reopening anything to do anything.

11 I've already made a ruling. And what I've done is
12 what bankruptcy judges often do, which is to try to walk the
13 line between the interest of the case and the interest of
14 Creditors, and -- and lifted the stay in part. And so, people
15 need to understand what -- what's been done and what hasn't
16 been done.

17 And so, people want to talk about the fairness of
18 state court proceedings, you can do that in state court.
19 That's -- I'm not -- I'm not here to talk about how their
20 proceedings work or don't work. I'm -- my -- the question in
21 front of me was about lifting the stay, and I've made a ruling.
22 And there's still more -- more for me to decide in terms of
23 lifting the -- the -- the final part of the stay.

24 And as to that, I asked Mr. Brody -- I'm glad he gave
25 the status of it -- I understand that it's not practical nor is

1 it wise to -- to wait 'til the very eve of -- of any final
2 event in state court to -- to -- to address the lifting of the
3 stay as to the entire proceeding. And we can't actually -- it
4 doesn't work that way, there's too much uncertainty, and too
5 much of a cloud.

6 So what I would anticipate doing is given that we're
7 talking about 30 days, and that we're gonna have to get
8 together to talk about Mr. Worms's application in the not-too-
9 distant future, that I would think about two weeks makes sense
10 to have a -- a final hearing on -- on the lift stay, by which I
11 -- I say people give me status, and then I'll make a ruling.

12 I'm not here to re-argue it; that's not what we're
13 doing. And people will just tell me if there's a status of --
14 of anyone making a deal, or not. And that's pretty much what
15 -- what -- how this is gonna work. So, I would think -- and
16 again, I -- I apologize to the extent that it results in a lot
17 of hearings.

18 You know, as you all know, from your prior
19 experience, that's often the way we do things to try to touch
20 base, move a case along, but at the same time, give everybody
21 an opportunity to be heard, maximum amount possibilities for --
22 for getting something done successfully in the case, while at
23 the same time, hear -- hearing everybody in terms of their
24 rights as interested parties.

25 So, since I think we're gonna have to deal with Mr.

1 Worms, and I want -- and Mr. Worms's application -- and I -- I
2 -- I would assume that there will be some written submission on
3 that, if Mr. Brody wants to do, that my thought would be to set
4 a date today for a written submission and for the next hearing.

5 And then that's the date at which I will hear an
6 update on any negotiations from other parties, or -- or
7 progress. And then I'll -- I'll -- I'll make my ruling as to
8 the last part of the lift stay motion. So, with that, Mr. Fox,
9 I didn't know if there's anything else that you had wanted to
10 address?

11 MR. FOX: Your Honor, your -- you indicated there's
12 gonna be a -- a two-week a -- in two-weeks, about, a hearing
13 with respect to the determination of the lift stay. My only
14 issue is I'm certainly willing to wait until then for my
15 comments and I would also like an opportunity to file papers
16 with respect to that determination. And --

17 THE COURT: What -- what -- (inaudible) file --

18 MR. FOX: -- hopefully, there'll be --

19 THE COURT: -- we've already --

20 MR. FOX: -- a resolution.

21 THE COURT: -- filed papers. I already have lift
22 stay briefing. I'm not --

23 MR. FOX: Okay.

24 THE COURT: -- I'm not re-doing the lift stay
25 briefing.

1 MR. FOX: Okay. Your Honor, we'll have an
2 opportunity to be heard on argument on that day?

3 THE COURT: As to what --

4 MR. BRODY: Your Honor --

5 THE COURT: -- as to -- as to --

6 MR. FOX: On -- on the merits --

7 THE COURT: -- so, if there's a deal that's struck,
8 fine, we'll talk about it.

9 MR. FOX: Right.

10 THE COURT: And if there's some snafu in state court
11 that would affect the -- the timing where something that was
12 done by the state court, affected the -- the timing of how we
13 consider things here, that's fine. But we -- we don't re-do
14 motions.

15 You wanna file a motion for reconsideration, you can
16 file a motion for reconsideration, but I'm not -- I'm not --
17 I'm not doing that. And again --

18 MR. FOX: (Inaudible)

19 THE COURT: -- what -- what, Mr. Fox, what you're
20 opening up is the possibility that essentially I should never
21 lift the stay as to a part of the case, and not the whole case,
22 because I'm opening all of us up for continued ongoing
23 litigation on -- on the same motion. And that's a horrible
24 idea, and if that's -- so the road to hell is paved with good
25 intentions. So if my intentions are good in terms of trying to

1 do this, but they turn out to -- to have horrible collateral
2 consequences, frankly, I'll stop doing this at all, and I'll --
3 I'll lift the stay, or not lift the stay and -- and -- and
4 won't be so subtle about it.

5 But -- but what I -- what I am doing, you know, what
6 I thought I was doing was giving the parties a chance while the
7 Secured Creditor was allowed to go ahead with its rights,
8 giving the parties some -- some defined window to have a
9 conversation. And -- and you can either take advantage of that
10 or not.

11 So, Mr. Brody?

12 MR. BRODY: Thank you, Your Honor. And, Your Honor,
13 I apologize. I thought today -- I thought at the last hearing,
14 Your Honor said today was going to be the final hearing on the
15 stay relief. So we thought that that was going to happen
16 today.

17 And we would still ask for that to happen. Your
18 Honor's decision for -- for final stay relief certainly
19 wouldn't affect the parties' ability to continue to talk.
20 Again, our issue is as we market the property, and we talk to
21 potential bidders, they need to know that there actually is
22 stay relief.

23 So, we don't seem the harm to the Debtor. We agree
24 this has been absolutely, fully briefed at this point. We're
25 -- we're going forward based upon the order of Judge -- the

1 pre-petition order of Judge Marx -- which allowed for the sale
2 and set forth what was necessary to do for the marketing and to
3 get towards a sale, so we're fulfilling that promise.

4 THE COURT: No. I understand. I -- I appreciate
5 that. And so, I actually have to be in -- out of town for
6 meetings and a conference at the beginning of the week of the
7 11th. So I'm gonna set this down for the 7th of July, so it's
8 less than two weeks; it's more like 10 days.

9 But again, I -- I do realize that I -- I said we were
10 going to address the -- the -- the motion. I don't remember if
11 I used the exact words that it was gonna be the final hearing
12 or -- or something otherwise. But I -- I understand that it
13 can't languish.

14 And again, sometimes judges think they're doing one
15 thing, and -- and it has collateral consequences. So I -- I
16 appreciate that that -- that occurs. But -- but I'm -- I -- I
17 made a ruling on the motion to lift the stay. And so that
18 exists.

19 And again, I'm not hearing -- I'm not getting --
20 there's no reason for additional briefing; there's no reason
21 for additional argument. So you either strike a deal, or you
22 don't. And I'll address it on the 7th. I would assume that
23 everybody could get in whatever written papers they want as to
24 Mr. Worms, any objection to that. And we could hear it on that
25 date, unless it -- unless people want more time to do that.

1 So, I guess that's a question to address to Mr. Brody and --
2 and the UST?

3 Mr. Brody?

4 MR. BRODY: Your Honor, that's sufficient time for
5 us. May I request the afternoon? I have a hearing before
6 Judge Kaplan in the morning.

7 THE COURT: Yeah, that would be fine. So let me make
8 sure I have my calendar up here. So why don't we say 2:30?

9 MR. BRODY: Thank you, Your Honor.

10 THE COURT: And is that enough time for the UST?

11 MS. TIANTIAN: Yes, it's enough time. Thanks.

12 THE COURT: So if the hearing is gonna be on July
13 7th, if -- if you can get whatever you're gonna get by say 5:00
14 on the 5th, and I'll -- I'll certainly hear anything that Mr.
15 Worms wants to say in response before -- or, you know, at -- at
16 the hearing.

17 What I certainly do encourage though -- obviously, is
18 to the extent that there are things that aren't sure about,
19 particularly as to the scope of what Mr. Worms is gonna do or
20 not, which seems to be something that's just a matter of
21 clarifying before we can know whether there's a dispute -- the
22 talk to each other before that.

23 Mr. Brody's issues, as he raised, may be more -- more
24 intractable, and -- and we'll -- we'll deal with that as -- as
25 needed based on the papers of and the discussions, so.

1 All right. Anything else from any other party?

2 COUNSEL: (No audible response)

3 THE COURT: All right. We'll see you all on the 7th
4 at 2:30. Thank you very much, and have a good afternoon.

5 MR. FOX: Thank you, Your Honor.

6 MR. BRODY: Thank you, Your Honor.

7 MR. WORMS: Thank you, Judge.

8 (Proceeding adjourned at 2:33 p.m.)

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10 CERTIFICATION

11 I, Catherine M. Griffin, certify that the foregoing
12 transcript of proceedings is a true and accurate record of the
13 proceedings.

14
15 Catherine M. Griffin Date: July 29, 2022

16 AMERICAN LEGAL TRANSCRIPTION

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18 Poughkeepsie, New York 12601

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